

INTELLOFAX 28

CLASSIFICATION

SECRET

SECURITY INFORMATION

CENTRAL INTELLIGENCE AGENCY

25X1A

REPORT NO.

CD NO.

INFORMATION REPORT

COUNTRY Czechoslovakia/Sweden/Norway

DATE DISTR. 3 June 1952

SUBJECT Czechoslovak Raw Material Imports for
1952 Steel Production

NO. OF PAGES 2

PLACE 25X1A

NO. OF ENCLS.

ACQUIRED

DATE OF INFO.

SUPPLEMENT TO
REPORT NO.

25X1X

DO NOT CIRCULATE

1. Iron Ore. Under the 1951/1952 Czechoslovak-Swedish Trade Treaty, which covered the period 1 March 1951 to 1 March 1952, Czechoslovakia was guaranteed a total of 720,000 tons of iron ore. During the 1952/1953 treaty negotiations, Czechoslovakia requested at least 1,000,000 tons of ore; Sweden, however, does not intend to deliver more than 450,000 tons.*
2. Special Steel. During the preliminary negotiation concerning the items to be included in the 1952/1953 Czechoslovak-Swedish Trade Treaty, Czechoslovakia did not request any spring steel.**
3. Ferroalloys. The new Czechoslovak-Norwegian Trade Treaty for 1952/1953 provides for a delivery of 1,000 tons of ferroalloys and 500 tons of 75% ferro-silicon to Czechoslovakia. Norway plans to fulfill only partially its ferroalloy commitment; only 600 tons of ferro-chromium are to be shipped during the treaty year. The Czechoslovak-Swedish treaty, however, will include a provision for 250 tons of ferrochromium to go to Czechoslovakia. Part of the Norwegian 500 ton commitment of ferro-silicon is in compensation for Czechoslovak sugar. During the negotiations Czechoslovakia requested 90% ferro-silicon; however, Norway, almost a monopoly producer of this alloy, could supply only a 75% grade. Further discussions concerning ferro-silicon are to be held. Annual planned consumption of ferro-silicon in Czechoslovakia is 12,000 tons of 45% grade. Almost all of the 10,000 ton annual domestic output of 45% ferro-silicon is produced at the Klement Gottwald plants in Vitkovice (P59/ 0 59). According to the records of one Norwegian firm, 200 tons of ferro-silicon were delivered from Italy to Czechoslovakia in 1951.***
4. Ferromolybdenum. Czechoslovakia uses about 100 tons of pure molybdenum and about 80 tons of calcium-molybdenate (calcium molybdenat) annually. The calcium-molybdenate is used at the Klement Gottwald plants in Vitkovice. Czechoslovakia attempted to obtain ferro-molybdenum in 1951 at any price, and although Sweden appears to be the only overt source of the material for Czechoslovakia, ferro-molybde-

CLASSIFICATION

SECRET

CLASSIFICATION									
STATE	X	NAVY	X	NSRB	DISTRIBUTION				
ARMY	X	AIR	X	FBI	011	X	ORR	EV	

REMOVE TO STORAGE CONTAINER
IMMEDIATELY AFTER USE

nam is not to be included in the new Czechoslovak-Swedish treaty. A Czechoslovak representative suggested during a treaty negotiation session that Czechoslovakia supply Sweden with ferro-molybdenum ore to process, with Sweden to retain part of the pure molybdenum as compensation.****

5. Ferromanganese. Czechoslovakia is making no attempt to purchase ferromanganese in Scandinavia. In addition to importing from 15,000 to 20,000 tons of ore annually from the USSR, Czechoslovakia is attempting to purchase high quality manganese ores from Turkey and India. The ore is processed either in Chorutov (N51/F (2)) or in Sosnowiec, Poland.
6. Ferrotungsten. Because Czechoslovakia is importing this raw material directly from Manchuria, it is making no current attempts to purchase ferrotungsten from western nations. Czechoslovak non-ferrous metal rolling mills manufacture drawn tungsten filaments for the electric and radio industries.
7. Ferrovandium. Although Czechoslovakia has always imported vanadium ore and slag from Norway, there is no provision for this material in the 1952/1953 agreements.

* Comment: In contrast, Swedish exports of iron ore to Poland amounted to 300,000 tons annually from 1945 to 1948. In 1952 Poland was to receive 1,000,000 as payment for its coal exports to Sweden.

** Comment: There is a great quantity of spring steel written into the new Swiss-Swedish trade agreement. Since Switzerland has never before imported such large quantities of spring steel, and since Sweden has been the only country to supply Czechoslovakia with spring steel in the past, there exists the probability that Czechoslovakia is importing spring steel illegally from Switzerland.

*** Comment: France produces a small quantity of 90% ferro-silicon. Lonza AG, Aeschenvorstadt 72, Basel, Switzerland, deals in 90% ferro-silicon. Ferro-silicon is also produced at the Siemens-Flaender works near Katowice, Poland.

*** Comment: Since there appear to be no shipments of pure molybdenum into the Eastern Block, the possibility exists that purchases of molybdenum may be made by Czechoslovakia in the West, with the molybdenum then combined with molten iron or steel and shipped in this form. Luxembourg appears to be the most probable country from which such shipments could be made.

SECRET